

Message Text

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ACTION OPIC-12

INFO OCT-01 AF-10 ISO-00 EB-11 L-03 TRSE-00 COME-00 AID-20

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P 221030Z JUN 74

FM AMEMBASSY ACCRA

TO SECSTATE WASHDC PRIORITY 3985

UNCLAS SECTION 1 OF 2 ACCRA 3424

FOR OPIC

E.O. 11652: N/A

TAGS: EFIN AGR GH

SUBJ: EJURA FARMS

REF: STATE 132816

PER REQUEST REFTEL FOLLOWING ARE TEXTS EJURA APPOINTMENT
LETTERS TO CHANEX AND BERGEN AND COMPANY, EACH DATED JUNE 19,
1974.

A. TO BERGEN AND COMPANY

QUOTE DEAR SIR,

APPOINTMENT LETTER

PURSUANT TO A RESOLUTION ADOPTED BY THE BOARD OF
DIRECTORS IN ITS 16TH MEETING EJURA FARMS GHANA LIMITED
("THE COMPANY") IS PLEASED TO APPOINT YOUR FIRM AS GENERAL
MANAGEMENT AGENTS FOR THE COMPANY ON THE FOLLOWING TERMS AND
CONDITIONS:

1. TERM. THE APPOINTMENT IS FOR A PERIOD OF THREE YEARS.
UNLESS TERMINATED EARLIER IN PURSUANCE TO PARAGRAPH
2(D) HEREOF, THIS APPOINTMENT MAY BE TERMINATED BY
WRITTEN NOTICE OF TWELVE MONTHS GIVEN BY EITHER
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PARTY, WITH EFFECTIVE DATE OF TERMINATION TO COINCIDE

WITH THE COMPANY'S FISCAL YEAR END.

2. MANAGEMENT FEE

(A) THE COMPANY WILL COMPENSATE YOUR FIRM AT THE RATE OF US \$36,000 PER YEAR TO BE PAID MONTHLY IN ARREAR (\$3,000). ANY GHANAIAI TAXES DUE THEREON OR ANY OTHER TYPE OF LEVIES IMPOSED BY ANY JURISDICTION IN GHANA ON THE FEE SHALL BE PAID BY THE COMPANY.

(B) FOR THE SECOND YEAR THE SAID COMPENSATION OF US \$36,000 SHALL BE SUBJECT TO ABATEMENT AT A RATE TO BE MUTUALLY AGREED UPON BUT IN NO EVENT SHALL SUCH ABATEMENT EXCEED A MAXIMUM OF FORTY PER CENT (40) THEREOF.

(C) FOR THE THIRD YEAR THE SAID COMPENSATION OF US \$36,000 SHALL BE SUBJECT TO ABATEMENT AT A RATE TO BE MUTUALLY AGREED UPON BUT IN NO EVENT SHALL SUCH ABATEMENT EXCEED A MAXIMUM OF SIXTY PER CENT (60) THEREOF.

(D) IT IS UNDERSTOOD THAT THE RATE OF ABATEMENT REFERRED TO IN (B) AND (C) ABOVE SHALL BE DETERMINED BY THE DEGREE OF PERFORMANCE BY THE SENIOR GHANAIAI MANAGEMENT PERSONNEL IN ASSUMING MANAGEMENT RESPONSIBILITIES, AND THAT FURTHERMORE, IF THERE IS DISAGREEMENT ON THE ESTABLISHMENT OF A MUTUALLY SATISFACTORY RATE OF ABATEMENT EITHER PARTY SHALL HAVE THE RIGHT TO TERMINATE THE APPOINTMENT ON 30-DAY WRITTEN NOTICE.

3. COMMENCEMENT. THE APPOINTMENT IS EFFECTIVE FROM THE 1ST OF JULY 1974.

4. RESPONSIBILITY. SUBJECT IN ALL RESPECT TO THE DIRECTION AND CONTROL OF THE BOARD OF DIRECTORS YOUR FIRM SHALL MANAGE, SUPERVISE AND ADMINISTER THE COMPANY.

PERFORMANCE. YOUR FIRM AGREE AT ALL TIMES TO USE ITS BEST EFFORTS FAITHFULLY, INDUSTRIOUSLY AND TO THE BEST OF ITS ABILITY AND EXPERIENCE TO PERFORM ALL DUTIES AND FUNCTIONS THAT MAY BE REQUIRED TO SUCCESSFULLY MANAGE,
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SUPERVISE AND ADMINISTER THE COMPANY. IT IS EXPRESSLY UNDERSTOOD, HOWEVER, THAT YOUR FIRM SHALL NOT BE HELD AS GUARANTOR OF THE SUCCESS OF THE COMPANY NOR SHALL IT INCUR ANY LIABILITY IN CONNECTION WITH ITS DUTIES EXCEPT AS RESULTS FROM MISMANAGEMENT OR MISCONDUCT. YOUR FIRM SHALL SUPPLY A CANDIDATE TO SERVE AS GENERAL MANAGER OF THE COMPANY AND SHALL CAUSE HIM TO STAY IN GHANA FOR AN AGGREGATE PERIOD OF NOT LESS THAN 180 DAYS PER FISCAL

YEAR AND FOR WHICH PURPOSE TO TRAVEL TO GHANA AS OFTEN
AS YOUR FIRM DEEM NECESSARY BUT NOT EXCEEDING 4 TIMES
PER FISCAL YEAR AND TO DEVOTE SUCH TIME AND EFFORT AS
YOUR FIRM SHALL DEEM NECESSARY OR DESIRABLE FOR THE
SUCCESSFUL MANAGEMENT OF THE COMPANY. FURTHERMORE
YOUR FIRM WILL REFRAIN FOR ONE YEAR FROM DOING ANY OTHER
BUSINESS IN GHANA OR ELSEWHERE WHICH IS ADDITIONAL TO
THAT ALREADY ASSUMED BY YOUR FIRM AS OF THE DATE OF THIS
APPOINTMENT, EXCEPT WITH THE PRIOR APPROVAL OF THE
BOARD OF THE COMPANY.

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6. EXPENSES. TRANSPORTATION TO AND FROM GHANA FOR YOUR
REPRESENTATIVE AND HIS WIFE PLUS ACCOMMODATION AND
MEAL EXPENSES INCURRED WHILE IN GHANA SHALL BE DEFRAIDED
BY THE COMPANY.

7. POLICY. IN ACCEPTING THIS APPOINTMENT YOUR FIRM ALSO
UNDERTAKE TO FAITHFULLY IMPLEMENT THE POLICY OF THE
COMPANY WITH RESPECT TO MANAGEMENT CHANGES AS SET
FORTH IN THE PLAN FOR MANAGEMENT RE-ORGANIZATION AS
ADOPTED BY THE BOARD OF DIRECTORS IN ITS 16TH MEETING.
UNQUOTE.

B. TO CHANEX INTERNATIONAL

QUOTE DEAR SIR,

APPOINTMENT LETTER

PURSUANT TO A RESOLUTION ADOPTED BY THE BOARD OF

DIRECTORY

AT ITS 16TH MEETING ON JUNE 1) 1974, WE ARE
PLEASED TO OFFER YOU AN APPOINTMENT AS AN INDEPENDENT
CONSULTANT TO THE COMPANY ON TERMS AND CONDITIONS AS SET
FORTH BELOW:-

1. TERMS. THE APPOINTMENT IS FOR A PERIOD OF 3 YEARS,

SUBJECT HOWEVER, TO TERMINATION BY EITHER PARTY IN ANY
YEAR BY 6 MONTHS WRITTEN NOTICE TO THE OTHER.

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2. COMPENSATION. THE FEE SHALL BE:

- (A) FOR THE FIRST YEAR - U.S. \$18,000 PAYABLE US \$1,500 MONTHLY.
- (B) FOR THE SECOND YEAR- U.S. \$12,060 PAYABLE US \$1,050 MONTHLY.
- (C) FOR THE THIRD YEAR - U.S. \$9,000 PAYABLE US \$750 MONTHLY.

ANY GHANAIAN TAXES PAYABLE ON THE FEE SHALL BE ASSUMED
BY THE COMPANY.

3. SERVICES. YOU SHALL PERFORM THE FOLLOWING SERVICES:

- (A) CONSULTATIONS FROM TIME TO TIME AS REQUESTED BY THE
MANAGEMENT. (B) ADVICE TO THE BOARD OF DIRECTORS ON
OPERATIONAL AND LONG TERM POLICY (C) MAKE AVAILABLE
OFFICE FACILITIES, I.E., TELEX AND PHONE, IN BRUSSELS,
- (D) ASSIST IN RECRUITMENT OF EXPATRIATE PERSONNEL, IF
NECESSARY (E) PROMOTE GOOD WILL FOR THE COMPANY (F)
ASSIST IN THE CONCEPTION OF A PLAN AND EXECUTION THEREOF
OF RESTRUCTURING THE OWNERSHIP OF THE COMPANY.

4. VISIT TO GHANA. YOU SHALL CAUSE THE CHIEF EXECUTIVE
OFFICER OF YOUR GROUP TO VISIT GHANA TWICE A YEAR AND
SPEND AT LEAST A TOTAL OF 3 MONTHS PER YEAR IN GHANA FOR
THE PURPOSE OF REVIEWING THE COMPANY'S AFFAIRS.

5. EXPENSES. THE COMPANY SHALL PAY FOR FOLLOWING
EXPENSES IF THEY ARE INCURRED BY YOUR REPRESENTATIVE
IN CONNECTION WITH THE PERFORMANCE OF SERVICES
OR OBLIGATIONS AS CALLED FOR UNDER THE PRECEDING
PARAGRAPHS OR IN PURSUANCE TO A TASK UPON SPECIFIC
REQUEST OF THE MANAGEMENT OR BOARD OF DIRECTORS:-

- (A) AIR TRANSPORTATION ON FIRST CLASS BASIS.
- (B) LODGING, MEALS AND RELATED EXPENSES IN GHANA AT
A FIXED RATE OF CEDIS 50 PER DAY FOR A MAXIMUM OF
90 DAYS PER YEAR.
- (C) HOTEL AND RELATED EXPENSES OVERSEAS, AT THE
ACTUAL DOCUMENTED BASIS, IF TRAVEL OUT OF
BELGIUM IS REQUIRED, WITH PRIOR APPROVAL

OF AT LEAST 2 DIRECTORS INCLUDING THE NIB DIRECTOR.
(D) LONG DISTANCE TELEPHONE, TELEX AND MISCELLANEOUS
EXPENSES.
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IN ADDITION, A PRIVATE OFFICE IN ACCRA WILL BE PROVIDED
BY THE COMPANY FOR THE USE OF A REPRESENTATIVE QOU MAQ SEND
TO GHANA IN PURSUANCE TO THE TERMS OHEREOF.
IF YOU CONCUR WITH THE TERMS OF THIS APPPOINTMENT,
PLEASE INDICATE BY SIGNING IN THE SPACE PROVIDED HEREUNDER.
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2. THE CHANEX APPOINTMENT HAS BEEN ACCEPTED BY CHAN.

3. PLEASE CABLE ADVISE OPIC REACTIONS THESE DOCUMENTS
SO THAT MISSION MAY TRANSMIT THEM TO COMPANY.
HADSEL

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